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Plaintiff EXACT-SCIENCE PRODUCTIONS, LLC ("Exact-Science") through its attorneys, complaining of Defendants FEMME KNITS INC., HAPA INDUSTRIES, LTD., FOREVER 21, INC., FOREVER 21 RETAIL, INC., NORDSTROM, INC., DELIA*S GROUP INC., ALLOY, INC., and DOES 1 through 100 (collectively "Defendants"), alleges as follows:

JURISDICTION

1. The Court has subject matter jurisdiction over this action pursuant to 28 U.S.C.. Sections 1331 and 1338(a), as this action involves claims brought under federal law, the United States Copyright Act, 17 U.S.C. Section 101 et seq.

VENUE AND INTRADISTRICT ASSIGNMENT

- 2. Exact-Science avers upon information and belief that a substantial part of the events giving rise to Exact-Science's claims occurred in this District and Exact-Science's intellectual property rights at issue in this action are situated in this District. In addition, Exact-Science avers upon information and belief that all Defendants are subject to personal jurisdiction in this District as they may be found to do business in this District and in the state of California. Venue is therefore proper in this District pursuant to 28 U.S.C. Sections 1391(b), 1391(c), and 1400(a).
- 3. Because this action is an Intellectual Property Action within the meaning of Civil Local Rule 3-2(c), the action is to be assigned on a district wide basis.

NATURE OF THE ACTION

4. This is a civil action seeking damages and an injunction for copyright infringement. As explained below, Defendants have made widespread and repeated use without permission of an image owned by Exact-Science, contrary to the copyright laws.

THE PARTIES

5. Plaintiff Exact-Science Productions, LLC ("Exact-Science") is a California Limited Liability Company with its principal place of business at 4130 18th Street, San Francisco, CA 94114. Exact-Science is in the business of manufacturing, distributing, and selling apparel, including shirts and sweatshirts.

- Upon information and belief, Defendant Femme Knits Inc. is a California 6. corporation with its principal place of business at 7130 Fenwick Lane, Westminster, California 92683.
- 7. Upon information and belief, Defendant Hapa Industries, Ltd. is a Hawaii corporation with its principal place of business at 5777 West Century Blvd., Suite 755, Los Angeles, California 90045.
- 8. Upon information and belief, Defendant Forever 21, Inc. is a Delaware corporation with its principal place of business in California at 2001 S. Alameda St., Los Angeles, California 90058.
- 9. Upon information and belief, Defendant Forever 21 Retail, Inc. is a California corporation with its principal place of business at 2001 S. Alameda St., Los Angeles, California 90058.
- 10. Upon information and belief, Defendant Nordstrom, Inc. is a Washington corporation with its principal place of business at 1617 6th Avenue, Seattle, Washington 98101.
- 11. Upon information and belief, Defendant Alloy, Inc. is a Delaware corporation with its principal place of business at 151 West 26th Street, 11th Floor, New York, New York 10001.
- 12. Upon information and belief, Defendant Delia*s Group Inc. is a Delaware corporation with its principal place of business at 435 Hudson Street, New York, New York 10014.
- Upon information and belief, Femme Knits Inc. is engaged in substantial, 13. continuous, and systematic business activities within the state of California and in this District. Femme Knits has purposefully availed itself of the privilege of conducting business in the state of California. Upon information and belief, a portion of Femme Knits' infringing activities alleged herein occurred in the state of California. Further, upon information and belief, Femme Knits performed the acts described herein, or a portion of those acts, knowing that their actions would affect Exact-Science's interests in this District.

OMPLAINT FOR COPVRIGHT INFRINGEMENT:

14.	Upon information and belief, Defendants have engaged in substantial, continuous
and systemat	ic business activities within the state of California. They have purposefully availed
themselves o	f the privilege of conducting business in the state of California. Further, upon
information ຍ	and belief a portion of the other Defendants infringing activities alleged herein
occurred in tl	he state of California and in this District.

15. The true names and capacities of defendants sued herein as DOES 1 through 100, inclusive, are unknown to Exact-Science, which therefore sues said defendants by such fictitious names. Exact-Science will amend this complaint to allege their true names and capacities when the same are ascertained.

BACKGROUND

- 16. Exact-Science is in the business of designing, printing and selling clothing, including t-shirts and sweatshirts, containing designs of visual art. Exact-Science's clothing conveys thought-provoking, iconic images about youth culture and contemporary society.

 Generally, the designs in Exact-Science's clothing were created by professional artists who sell or license their designs to Exact-Science for inclusion in its clothing.
- under the laws of the United States. At considerable cost and effort, Exact-Science obtained and registered the copyright to a design of visual art entitled, "Heart Shaped Cassette Tape / I Love Music." This design is registered with the United States Copyright Office as VA 1-378-516 (the "Copyrighted Work"). Attached hereto as Exhibit A is a copy of the registration certificate for the Copyrighted Work. Exact-Science owns all rights under the copyright laws in the Copyrighted Work, including the rights to sue and collect for its past and future infringement. It is the unlawful production, sale, distribution and importation of garments containing the Copyrighted Work that are the subject of the present controversy.
- 18. Upon information and belief, defendant Femme Knits Inc. is engaged in the business of selling garments. Upon information and belief, Femme Knits Inc. sells its garments to retailers throughout the United States and the rest of the world. On information and belief,

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Femme Knits Inc. also has done business as "Hapa Industries, Ltd." On information and belief, Femme Knits Inc. also uses the brand names "Scrapbook Originals" and "Crafty Couture."

- 19. Upon information and belief, defendant Femme Knits Inc. manufactured, imported offered for sale and sold garments bearing the Copyrighted Work owned by Exact-Science, without license. On information and belief, Femme Knits Inc. sold garments with the Copyrighted Work to defendants Alloy, Inc., Delia*s Group Inc., Forever 21, Inc., Forever 21 Retail, Inc., and Nordstrom, Inc. on a continuous and systematic basis, over an extended period of time. Upon information and belief, Defendants sold these shirts through their various retail establishments and over the Internet. Further, Defendants published catalogs and images on the Internet with copied versions of the Copyrighted Work.
- 20. Exact-Science notified Femme Knits Inc. and the other Defendants of their infringement in late 2006 in a series of cease and desist letters. Defendants provided verbal assurances that they had ceased and desisted from further sale of garments with the Copyrighted Work. However, at least one defendant commenced infringement in a new season catalog mailed after so agreeing. Further, at least one defendant continued to sell products with the Copyrighted Work, despite having been provided notice of its infringement.

FIRST CLAIM FOR RELIEF- COPYRIGHT INFRINGEMENT

(17 U.S.C. Section 106, et seq.)

- 21. Exact-Science repeats and realleges the allegations of Paragraphs 1 through 20 as if fully set forth herein.
- 22. Exact-Science holds a valid and exclusive registered copyright to the Copyrighted Work that is the subject of this action and that is evidenced by the copyright registration certificates attached hereto as Exhibit A.
- 23. Upon information and belief, Defendants have imitated, copied and reproduced the Copyrighted Work and Defendants have used and are using the Copyrighted Work in connection with the manufacture, importation, distribution, and sale of goods which display the

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- Furthermore, Defendants' goods include the creation of an unauthorized 24. derivative work of the Copyrighted Work. The image used by Defendants in connection with the manufacture, importation, distribution, and sale of goods is substantially similar to the Copyrighted Work. Defendants' acts are in violation of the exclusive right of the copyright holder to create derivative works or to reproduce its copyrighted works, as articulated in 17 U.S.C. Section 106. Defendants' use of the Copyrighted Work is and has been made without Exact-Science's consent or authorization and for commercial purposes.
- The actions and conduct by Defendants as described above infringes upon the 25. exclusive rights of Exact-Science granted by Section 106 of the Copyright Act, 17 U.S.C. § 106, to display, reproduce, distribute, import and sell the registered copyrighted work to the public.
- Such actions and conduct by Defendants constitute copyright infringement under 26. Section 501 of the Copyright Act, 17 U.S.C. § 501. Exact-Science is informed and believes, and on that basis alleges that Defendants have infringed directly and indirectly Exact-Science's exclusive rights in the Copyrighted Work.
- 27. Defendants' infringement has caused harm to Exact-Science including lost profits and lost good will. Further, Defendants have profited from such infringing sales in an amount to be determined at trial.
- Defendants' infringement has been willful, wanton and in reckless disregard of 28. Exact-Science's intellectual property rights.
- As a result of the copyright infringement described above, Exact-Science is 29. entitled to relief including, but not limited to, injunctive relief, actual or statutory damages, punitive damages, statutory costs, attorney's fees, and prejudgment interest.

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RELIEF REQUESTED

WHEREFORE, Exact-Science prays for relief as follows:

- 1. For an order permanently enjoining Defendants from infringing Exact-Science's copyrighted images pursuant to Section 502 of the Copyright Act, 17 U.S.C. § 502;
- For an order directing Defendants to deliver for destruction all apparel and other products in their possession or under their control, bearing or depicting any unauthorized copy or derivative work of the Copyrighted Work, and all negatives, prints, copies, proofs, or other means of making same pursuant to Section 503 of the Copyright Act, 17 U.S.C § 503;
- 3. For an award of Exact-Science's actual damages and any of Defendants' additional profits or, in the alternative, that Exact-Science recover statutory damages pursuant to Section 504 of the Copyright Act, 17 U.S.C. § 504;
 - 4. For an award of costs, pursuant to 17 U.S.C., Sections 505;
 - For an award of reasonable attorneys' fees, pursuant to 17 U.S.C., Sections 505; 5.
 - 6. For an award of prejudgment interest on the amount of any award to Plaintiff; and
 - 7. For such other and further relief as the Court deems just and equitable.

Dated: April 5, 2007

CMD ASSOCIATES

C. Matthew Didaleusky

Attorneys for Plaintiff

Exact-Science Productions, LLC

DEMAND FOR TRIAL BY JURY

Plaintiff Exact-Science Productions, LLC demands a trial by jury.

Dated: April 5, 2007

CMD ASSOCIATES

C. Matthew Didaleusky
Attorneys for Plaintiff

Exact-Science Productions, LLC

COMPLAINT FOR COPYRIGHT INFRINGEMENT; DEMAND FOR JURY TRIAL; CERTIFICATION OF INTERESTED ENTITES OR PERSONS

CASE NO.

CERTIFICATION OF INTERESTED ENTITES OR PERSONS

Pursuant to Civil Local Rule 3-16, the undersigned certifies that as of this date, other than the named parties, there is no such interest to report.

Dated: April [37], 2007

CMD ASSOCIATES

C. Matthew Didaleusky Attorneys for Plaintiff

Exact-Science Productions, LLC

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